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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/884,868	06/19/2001	Ronald Lourie	5044600/30250	1903

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THE FINANCIAL CENTER
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DES MOINES, IA 50309-3993

EXAMINER

ZURITA, JAMES H

ART UNIT	PAPER NUMBER
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3625

DATE MAILED: 07/29/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/884,868

Applicant(s)

LOURIE, RONALD

Examiner

James H Zurita

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 19 June 2001.
2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-5 is/are pending in the application.
4a) Of the above claim(s) _____ is/are withdrawn from consideration.
5) ☐ Claim(s) _____ is/are allowed.
6) ☒ Claim(s) 1-5 is/are rejected.
7) ☐ Claim(s) _____ is/are objected to.
8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☒ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date 8, 9.
4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____.
5) ☐ Notice of Informal Patent Application (PTO-152)
6) ☐ Other: _____.

DETAILED ACTION

Drawings

The drawings are objected to under 37 CFR 1.83(a) for the following reasons:

Fig. 5 fails to mention a merchant's web site in, as described in the specification.

Figs. 2 and 4 should be designated by a legend such as --Prior Art-- because only that which is old is illustrated.

Claim 4 refers to transferring said payment from said consumer to said merchant to said merchant's acquiring bank and then to said merchant. This flow is not indicated in any of the figures. The drawings must show every feature of the invention specified in the claims. Therefore, claim 4's limitation "...transferring said payment from said consumer to said merchant to said merchant's acquiring bank and then to said merchant..." must be shown or the feature(s) canceled from the claim(s). No new matter should be entered.

Any structural detail that is essential for a proper understanding of the disclosed invention should be shown in the drawing. MPEP § 608.02(d). Corrected drawing sheets are required in reply to the Office action to avoid abandonment of the application. Any amended replacement drawing sheet should include all of the figures appearing on the immediate prior version of the sheet, even if only one figure is being amended. The figure or figure number of an amended drawing should not be labeled as "amended."

If a drawing figure is to be canceled, the appropriate figure must be removed from the replacement sheet, and where necessary, the remaining figures must be

renumbered and appropriate changes made to the brief description of the several views of the drawings for consistency. Additional replacement sheets may be necessary to show the renumbering of the remaining figures. The replacement sheet(s) should be labeled "Replacement Sheet" in the page header (as per 37 CFR 1.84(c)) so as not to obstruct any portion of the drawing figures. If the changes are not accepted by the examiner, the applicant will be notified and informed of any required corrective action in the next Office action. The objection to the drawings will not be held in abeyance.

The objection to the drawings will not be held in abeyance.

Claim Objections

The following claims are objected to because of informalities:

Claims 1 and 5 contain the term "predetermined." This is a relative term which renders the claim indefinite. The term "predetermined" is not defined by the claim, the specification does not provide a standard for ascertaining the requisite degree. One of ordinary skill in the art would not be reasonably apprised of the scope of the invention.

Claims 1, 3, 4 and 5 refer to "...amount of ...payment..." Claims 1 and 4 also appear to use the generic term "...payment..." when they refer to "...amount of payment..." The terms appear to be used interchangeably and are indefinite.

Claim 1 refers to "predetermined denominational value" and to "...said value" Claim 5 refers to predetermined value. This appears to be a word processing error. The Examiner believes that applicant is referring to the same item and will interpret both claims as referring to predetermined denominational value.

Claim 1 refers to "...presenting said card to a merchant as payment to said merchant for a transaction of goods or services, wherein said payment [**amount or value?**] by said consumer to said merchant is less than or equal to said predetermined denominational **value** associated with said card." This appears to be a word processing error, since a comparison would require comparing similar values or amounts.

Claim 1 recites "...completing...transaction by said merchant providing said good or services to said merchant..." This appears to be a word processing error. The Examiner believes that applicant intended to say "...completing...transaction by said merchant providing said *goods* or services to said **consumer**..." and will interpret the limitation as such.

Claim 3 refers to "...the invention in accordance with claim 1 wherein said step of verifying said card by transmitting said indicia of identification from said merchant to a card issuing authority and said step of issuing an approval code from said card issuing authority to said merchant..." However no such step is found in claim 1, which refers to "...verifying said card by transmitting said indicia of identification and the amount of said payment by said consumer to said merchant, from said merchant to a card issuing authority..." It is not clear whether these are the same steps, or whether applicant is attempting to combine steps.

Claim 4 refers to "...transferring said payment [amount/value?] from said consumer to said merchant to said merchant's acquiring bank and then to said merchant [account?]" It is not clear what is being transferred from a consumer to a merchant's acquiring bank and then back to the merchant.

Appropriate correction is required.

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1-5 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

The basis of this rejection is set forth in a two-prong test of:

- (1) whether the invention is within the technological arts; and
- (2) whether the invention produces a useful, concrete, and tangible result.

For a claimed invention to be statutory, the claimed invention must be within the technological arts. Mere ideas in the abstract (i.e., abstract idea, law of nature, natural phenomena) that do not apply, involve, use, or advance the technological arts fail to promote the "progress of science and the useful arts" (i.e., the physical sciences as opposed to social sciences, for example) and therefore are found to be non-statutory subject matter. For a process claim to pass muster, the recited process must somehow apply, involve, use, or advance the technological arts.

In the present case, claims 1, 3-5 are directed to method and steps that can be performed without use of technology. It is noted that certain claims appear to recite technology by using the term "transmitting". However, when the term is given its broadest reasonable interpretation, "to send or convey from one person or place to another" the action may be performed without use of technology.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-5 are rejected under 35 U.S.C. 103(a) as being unpatentable over Risafi et al (US 6,473,500) in view of an article by Natalie Southworth, Protecting Online Purchases, Post Tribune, Gary, IN, 26 November 2000, downloaded from Proquest on the Internet on 6 July 2004/(Southworth) and further in view of Rosen (US Patent 5453601).

At the onset, please note that claims 1-5 refer to a card. A card is a flat usually small and rectangular piece of material, as paper, paperboard or plastic, usually bearing information.¹ Claim 1 contains the terms "anonymous" and "anonymously", which, by themselves, provide no patentable distinction to the card or to the method of using said card, or to issuing the card anonymously to a consumer. As such, the term carries little patentable weight.

As per claim 1, ***Risafi*** discloses limitations of applicant's invention, including:

1.1 providing a card of predetermined denominational value having an indicia of identification associated with a card and a value. See, for example, at least Col. 2, lines 7-39.

1.2 issuing a card to a consumer in exchange for payment by a consumer of a predetermined denominational value associated with a card. See, for example, at least references to card dispensing devices, Col. 6, lines 38-58.

1.3 presenting a card to a merchant as payment to a merchant for a transaction of goods or services, wherein payment by a consumer to a merchant is less than or equal to a predetermined denominational value associated with a card. See, for example, at least references to remaining balance, at least Col. 2, lines 7-38.

1.4 verifying a card by transmitting indicia of identification and the amount of payment by a consumer to a merchant, from a merchant to a card issuing authority. See, for example, at least references to verifying identification, items and transactions, Col. 13, line 53-Col. 14, line 19.

1.5 issuing an approval code by a card issuing authority to a merchant. See at least receiving approval, for example Col. 13, line 63-Col. 14, line 19.

1.6 completing a transaction by a merchant providing goods or services to a consumer. See, for example, at least references to purchasing goods and services, for example, Abstract, Col. 1, line 1-Col. 2, line 39.

1.7 transferring funds from a card issuing authority to a merchant in the amount of payment from a consumer to a merchant. See, for example, at least references to payments, Col. 19, lines 1-13.

¹ Definition of *card*, MERRIAM WEBSTERS Collegiate Dictionary.

As per claim 1, Risafi does not use the term "anonymous." **Southworth** discloses anonymous cards that may be issued to customers for online purchases such as pornography.

It would have been obvious to one of ordinary skill in the art at the time the invention was made to combine **Risafi** and **Southworth** to disclose the use of anonymous prepaid cards. One of ordinary skill in the art at the time the invention was made would have been motivated to combine **Risafi** and **Southworth** to discloses the use of anonymous prepaid cards for the obvious reason that banks and merchants that wait for standards different from credit cards and debit cards to gain acceptance may lose out on market share, as suggested by **Southworth** on page 2, lines 7-8.

As per claim 2, Risafi discloses that a merchant has a Web site and transactions may take place through a merchant's Web site. See, for example, at least Col. 19, line 47-Col. 20, line 24.

As per claim 5, Risafi discloses deducting the amount of payment from a consumer to a merchant, from the predetermined value of the card upon issuing the approval code. See, for example, at least references to decrementing an account balance, at least Col. 14, lines 1-30.

As per claims 3-4, Risafi and **Southworth** do not specifically disclose bank payment mechanisms for prepaid cards. They do not specifically disclose transmitting indicia of identification and the amount of payment from a consumer to a merchant, from a merchant to a merchant's acquiring bank and then to a card issuing authority, and issuing an approval code from the card issuing authority to the merchant's acquiring

bank and then to the merchant. As in claim 4, they do not specifically disclose first transferring the payment from the consumer to the merchant to the merchant's acquiring bank and then to the merchant.

Rosen discloses systems and methods for transmitting payment and amount identification between consumers and merchants. It would have been obvious to one of ordinary skill in the art at the time the invention was made to combine **Risafi**, **Southworth** and **Rosen** to disclose bank payment mechanisms for prepaid cards, to disclose transmitting indicia of identification and the amount of payment from a consumer to a merchant, from a merchant to a merchant's acquiring bank and then to a card issuing authority, and issuing an approval code from the card issuing authority to the merchant's acquiring bank and then to the merchant and to disclose first transferring the payment from the consumer to the merchant to the merchant's acquiring bank and then to the merchant.

One of ordinary skill in the art at the time the invention was made would have been motivated to combine **Risafi**, **Southworth** and **Rosen** to disclose bank payment mechanisms for prepaid cards, to disclose transmitting indicia of identification and the amount of payment from a consumer to a merchant, from a merchant to a merchant's acquiring bank and then to a card issuing authority, and issuing an approval code from the card issuing authority to the merchant's acquiring bank and then to the merchant and to disclose first transferring the payment from the consumer to the merchant to the merchant's acquiring bank and then to the merchant for the obvious reason that it is

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important to integrate various payment mechanisms for secure and reliable exchange of economic value.

Conclusion

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

Amy Larsen, Virtual Cash Gets Real, Information Week, Manhasset, 231 May 1999, Iss. 736, p. 46, 7 pages, downloaded from Proquest on the Internet on 6 July 2004.

Linda Punch, Courting High-risk merchants, Credit Card Management, New York December 1993, m Col. 11, Iss. 9, page 36, 5 pages, downloaded from Proquest on the Internet on 6 July 2004.

Anonymous, Phone Card Issuers go paperless to catch sales in a World Wide Web, Debit Card News, Chicago, 29 January 1999, vol 4, Iss. 15, page 3, 2 pages. downloaded from Proquest on the Internet on 6 July 2004.

MyPrivatePlanet to Ease Internet Privacy Concerns with Anonymous Internet Services. PR Newswire, New York 22 Sep. 2000. downloaded from Proquest on the Internet on 6 July 2004.

GS Telecom, Ltd.s Multi-Purpose ATTM Cards Changes the Face of Electronic and International Commerce, Business Editors/High-Tech Writers, Business Wire, New York 23 March 1999, downloaded from Proquest on the Internet on 6 July 2004.


J.L Abad Peiro et al., Designing a generic payment Service, IM Systems Journal, Among NY 1998. Voll. 37, Iss. 1, page 72, 17 pages, downloaded from Proquest on the Internet on 6 July 2004.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to James H Zurita whose telephone number is 703-605-4966. The examiner can normally be reached on 8a-5pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Jeffrey A. Smith can be reached on 703-308-3588. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

JE
James Zurita
Patent Examiner
Art Unit 3625
6 July 2004


Jeffrey A. Smith
Primary Examiner